

<b>Comments Template on EIOPA-CP-14-057</b> <b>Draft proposal for for Implementing Technical Standards with regard to the lists of regional governments and local authorities exposures to whom are to be treated as exposures to the central government</b>		<b>Deadline</b> <b>02.Mar.2015</b> <b>23:59 CET</b>
Company name:	Finnish Patient Insurance Centre	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.  Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public
<p>Please follow the instructions for filling in the template:</p> <ul style="list-style-type: none"> <li>⇒ <u>Do not change the numbering</u> in column "Reference".</li> <li>⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph, keep the row <u>empty</u>.</li> <li>⇒ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below.               <ul style="list-style-type: none"> <li>○ If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies.</li> <li>○ If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment itself.</li> </ul> </li> </ul> <p><b>Please send the completed template to <a href="mailto:Consultation_Set2@eiopa.europa.eu">Consultation_Set2@eiopa.europa.eu</a>, in MSWord Format, (our IT tool does not allow processing of any other formats).</b></p> <p>The paragraph numbers below correspond to Consultation Paper No. EIOPA-CP-14-057.</p>		
<b>Reference</b>	<b>Comment</b>	
General Comment		
Article 1	Article 1 (d) (also Impact Assessment, 4.1, 5.1.1., Section 6: Policy issue 1). The list of RGLA in the Republic of Finland should include joint municipal authorities (in Finnish kuntayhtymä) at least with respect to hospital districts (in Finnish sairaanhoitopiiri) as a RGLA category. Every local authority or municipality is required by law (Act on Specialized Medical Care Chapter 1 Section 3) to be a	

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	<p>member of a joint municipal authority administering a hospital district (later entity). These entities are responsible for producing healthcare services provided by the public sector in Finland. They don't fall strictly under the policy option 1 of policy issue 1 concerning revenue-raising powers as the entities themselves don't have direct powers to set tax rates, but the entities are funded by the municipalities forming them by law (Local Government Act Chapter 10 Section 83), which on the other hand have revenue-raising powers.</p> <p>The decision to include/exclude these entities will affect all insurance companies writing statutory patient insurance in Finland. These insurance companies are holding 400 million euros in debt from these entities as assets covering technical provisions for the patient insurance liabilities of the entities. The exposures to the entities are at the moment treated as equivalent to central government exposures and have a fixed yield of 0% because of the revenue-raising powers of the municipalities forming the entities. The entities themselves don't have the power to set tax rates but municipalities forming the entities are responsible for all the liabilities of the entities (Local Government Act Chapter 10 Section 83). Therefore via the look-through principle the exposures to these entities should be treated in the same way as exposures to municipalities. These entities also fulfil the iii. criteria of policy option 2.1. If these entities would not treated as exposures to central government the SCR of companies issuing patient insurance to Finnish public sector healthcare institutions would be overstated.</p>	
Article 2		
Impact Assessment		